

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

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| In the Matter of |) | |
| |) | WC Docket No. 13-39 |
| Rural Call Completion |) | |

COMMENTS OF VERIZON¹

Verizon supports the Commission’s efforts to establish a more effective and less burdensome regime to address rural-call completion. The rules that require providers to record, retain, and report data have proven unreliable and have not facilitated the Commission’s effective monitoring of call-completion performance. In place of those rules, the Commission should adopt its proposal to hold covered providers responsible for monitoring intermediate providers’ rural-call-completion performance and to hold those intermediate providers accountable. And the Commission should give covered providers flexibility to accomplish this by allowing each covered provider to develop its own reasonable program to ensure the covered provider’s use of intermediate providers does not degrade service levels on calls to rural ILECs.

To meet these goals and reduce burdens while increasing the effectiveness of addressing any rural-call-completion issues, the Commission should take the following steps —

- Eliminate the current data recording, retention, and reporting regime.
- Adopt its proposed new rule requiring covered providers to monitor intermediate providers’ performance and hold the intermediate providers accountable for their performance.
- Give covered providers flexibility to implement monitoring programs.
- Support the industry collaboration.

¹ The Verizon companies participating in this filing are the regulated, wholly owned subsidiaries of Verizon Communications Inc.

A. Eliminate the Data Recording, Retention, and Reporting Regime.

1. The Data Are Unreliable And Unusable

We take seriously concerns about call delivery and completion, and we have dedicated substantial resources to identifying and addressing issues affecting call completion to rural ILECs. Timely and detailed complaints have helped identify and address rural-call-completion issues. As the Commission notes, year over year from 2015 to 2016 consumer complaints to the Commission related to rural-call completion decreased by 57 percent and rural-carrier complaints decreased by 45 percent.²

But although the rate of rural-call-completion complaints the Commission has received has declined significantly—suggesting problems are subsiding and performance improving—the data the Commission has collected on Form 480 in accordance with the *2013 RCC Order*³ have not proven useful or effective.⁴ The *2013 RCC Order* required covered providers to record information about calls attempted to a rural operating company number (OCN) and to submit quarterly reports indicating the number of call attempts, the number of answered calls, and the number of call attempts not answered, reported separately for “busy,” “ring no answer,” and “unassigned number.”⁵ These data were to allow the Commission to calculate a call-answer rate and a network-effectiveness ratio.⁶

² *Rural Call Completion*, Second Further Notice of Proposed Rulemaking, WC Docket No. 13-39, FCC 17-92, ¶ 8 (July 14, 2017) (“*FNPRM*”).

³ *Rural Call Completion*, Report and Order and Further Notice of Proposed Rulemaking, 28 FCC Rcd 16,154 (2013) (“*2013 RCC Order*”).

⁴ *Id.* ¶ 19.

⁵ *Rural Call Completion*, Report, 32 FCC Rcd 4980, ¶ 5 (2017) (“*2017 RCC Data Report*”).

⁶ *Id.* ¶ 6.

The Wireline Competition Bureau recently correctly concluded these data are insufficient and unreliable. As we explained in more detail in our response to the *2017 RCC Data Report*,⁷ the reporting process the Commission adopted in the *2013 RCC Order* permits carriers to self-define the categories of calls they report as answered, busy, unassigned, and ring-no-answer, calling into question the comparability of data across carriers, impairing the quality of the reported data, and detracting from their utility. And as the *2017 RCC Data Report* observed, in some instances signaling codes are unreliable for call categorization.

As a result, the Commission has been unable to use the data as intended.⁸ The Commission correctly concludes it “cannot consistently rely on the data [it collects on Form 480] to accurately identify rural areas with potential rural-call-completion problems.”⁹ And it also concludes the data-quality issues associated with the reported data “have hindered [the Commission’s] ability to initiate enforcement action against covered providers based solely on the data collected.”¹⁰

2. Eliminate—and Do Not Modify—the Record, Retain, and Report Rules

The Commission should eliminate the recording, retention, and reporting rules, whose costs and burdens far outweigh the negligible (if any) corresponding benefits. And instead of trying to modify them, the Commission should remove the existing rules entirely and replace them with a different, less burdensome, flexible approach that does not mandate particular implementation methods.

⁷ Comments of Verizon, WC Docket No. 13-39 (Aug. 3, 2017).

⁸ *FNPRM*, ¶ 7.

⁹ *Id.* ¶ 25.

¹⁰ *Id.*

We agree with the Bureau that modifying the requirements would be overly burdensome and would have marginal utility.¹¹ As the Bureau noted in the *2017 RCC Data Report*, even if the Commission were to modify the data recording, retention, and reporting rules, it is unclear that the benefits would outweigh the burdens.¹² And it is similarly unclear that an alternative data collection would be an improvement or more reliable. So instead of trying to fix the flawed record, retain, and report regime and burdening providers with broad new recordkeeping and reporting requirements—and repeating the mistakes of the *2013 RCC Order*—the Commission should instead allow providers to focus on developing their own tailored means of monitoring call completion when using intermediate providers. The significant resources providers expended to develop and build data systems to comply with the *2013 RCC Order* are now sunk costs that could better have been spent collaborating directly with rural carriers on root-cause analysis. The Commission should not force providers to incur a second round of burdens and costs to comply with modified or new recording, retention, and reporting obligations that likely would be as ineffective as their predecessors.

The Commission also should not adopt the alternative proposal under which it would eliminate the reporting requirement but retain the recording and retention requirements. While this would improve the current situation by ending reporting of incomplete and inaccurate data, it would still keep in place data recording and retention burdens that have little if any corresponding benefit.

But, at a minimum, if the Commission retains the recording and retention requirements it should follow two guideposts. First, if the Commission keeps the data-recording requirements, it

¹¹ *Id.* ¶ 12.

¹² *2017 RCC Data Report* ¶ 39.

should keep them as is and should not force providers to incur additional implementation costs by modifying them. Second, the Commission should amend the required retention period. There is no need to require providers to retain data for six months in a form and format that can result in it being readily available to the Commission in as little as two weeks. The volume of call records the current rules require providers to retain is significant, and the burdens associated with the current retention requirements far outweigh whatever benefits they might provide.

B. Covered Providers Should Monitor Intermediate Providers and Hold Them Accountable for Their Performance.

The proposed new Rule 64.2103¹³ reflects a reasoned, balanced approach under which covered providers would monitor intermediate providers' performance and hold the intermediate provider accountable, including by removing an intermediate provider from a particular route after sustained inadequate performance. We agree this "proposal is an improvement upon [the Commission's] existing recording, retention, and reporting rules."¹⁴ The Commission should adopt this regime in place of the current record, retain, and report system. In addition, as the Commission suggests, it should make clear that it will not impose liability on covered providers that make a good-faith effort to comply.¹⁵

The Commission already has made clear that covered providers are responsible for the provision of service to their customers even when they contract with intermediate providers to carry calls to their destinations.¹⁶ And it has found call-routing practices that result in degraded

¹³ *FNPRM* at Appendix A.

¹⁴ *Id.* ¶¶ 11-12.

¹⁵ *Id.* ¶ 15.

¹⁶ *Developing a Unified Inter-carrier Compensation Regime*, Declaratory Ruling, 27 FCC Rcd 1351 (2012) ¶ 12 ("2012 RCC Declaratory Ruling").

service levels to rural areas can violate the Communications Act.¹⁷ Carriers often use intermediate providers to complete calls for many reasons, including because they do not themselves have connectivity, or in the event of network outages or congestion. The Commission's proposed new rule builds on its earlier findings and charges covered providers with monitoring intermediate providers and holding them accountable.

The Commission should afford covered providers flexibility to develop a reasonable program to comply with the new rule. There are many ways covered providers can accomplish this. For example, some covered providers may limit the number of intermediate providers with which they do business or limit the identity of intermediate providers that are permitted to be involved in the downstream call flow. Other providers may simply implement monitoring of rural routes and take action to adjust routing where there are sustained performance issues. Some providers may find certain best practices to be useful, and other providers may prefer different best practices given their particular networks, technologies, and call patterns.

While the Commission should expect covered providers to implement reasonable mechanisms to comply with its proposed new rule, it should not adopt specific performance metrics for covered providers or mandate other particular practices. Requiring covered providers to meet or use certain metrics or implement specific business practices would reduce the flexibility providers need to manage their networks. Some covered providers nevertheless may *choose* to implement metrics, but the Commission should not mandate them. Existing metrics have been ineffective, and requiring new metrics would impose significant costs on the industry to redesign their reporting processes.

¹⁷ *Id.* ¶ 14.

C. Encourage Industry Collaboration.

Covered providers can work together with their intermediate providers to address these issues. And intermediate providers can work with wholesale customers to offer solutions that enhance call completion. Industry forums like ATIS provide industry members opportunities to work together to resolve issues. These collaborative efforts sometimes result in industry guidelines, best practices, or other recommended standards. For example, ATIS has developed an *Intercarrier Call Completion/Call Termination Handbook* that includes recommended industry best practices.

Many of the ATIS best practices might be incorporated as part of a covered provider's approach to monitoring and mitigating call-completion issues. The Commission should continue to embrace and encourage collaborative industry processes to address rural-call delivery and other industry-wide issues.

That said, the Commission should not mandate compliance with the voluntary guidelines ATIS has developed or other guidelines or practices. As discussed above, providers need flexibility to manage their networks efficiently. And while best practices are often widely adopted within the industry, the Commission should not convert voluntary, industry-developed best practices to regulatory mandates. Doing so could chill future development of voluntary guidelines, creating a disincentive for industry members to collaborate and resolve matters of industry-wide performance.

The Commission should instead encourage continued industry collaboration. It can do so by allowing industry members to continue to develop voluntary best practices. And the Commission also could convene periodic industry workshops and participate in the ongoing industry dialog by sharing with the industry lessons the Commission has learned and

observations it has made through its involvement in resolving rural-call-completion complaints and investigating compliance with the new monitoring rule.

D. Conclusion.

The Commission should eliminate the current data recording, retention, and reporting rules, and it should adopt its proposed new Rule 64.2103 and give providers the flexibility they need to implement and comply with it.

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Respectfully submitted,

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August 28, 2017